

## M E M O R A N D U M

March 24, 2004

TO: All pharmacies participating in the North Dakota Medicaid Program

FROM: Brendan K. Joyce, PharmD, Administrator, Pharmacy Services

SUBJECT: Website, Prior Authorization implementation, CMS 1500 form billing instructions, e-mail list

### **Web Site**

As many of you already know, we have updated our website substantially. To access it, go to [www.state.nd.us/humanservices/providers](http://www.state.nd.us/humanservices/providers), then click on Medical Services, then 'accept' the agreement. This site is for all types of providers and you will find a plethora of information on the site (manuals, MAC information, prior authorization information, past memos, etc.).

### **Prior Authorization Implementation**

Prior Authorization of proton pump inhibitors and anti-histamines will begin April 6<sup>th</sup>. There was a delay in order to allow time for recipients to be further notified. The prior authorization portion of the above website outlines everything fairly completely. The following is some additional information as well as some important points from the website.

#### **PPI's:**

- ☐ Prilosec OTC does not require prior authorization
- ☐ MAC pricing is based on package size of 28
- ☐ All other PPI's require prior authorization
- ☐ There is no co-pay for Prilosec OTC
- ☐ The two month limit will no longer apply for the Prilosec OTC once the prior authorization program begins
- ☐ No prior authorization required for recipients < 13 years of age
- ☐ **Net cost to Medicaid: Prilosec OTC <<< Protonix < Aciphex < Prevacid < omeprazole << Nexium < Prilosec**

#### **Less-sedating antihistamines:**

- ☐ Loratadine OTC does not require prior authorization
- ☐ MAC pricing is based on the largest package size of Alavert® for each respective dosage form
- ☐ All other less-sedating anti-histamines (Zyrtec and Allegra) require prior authorization
- ☐ There will be a co-pay if Claritin OTC is dispensed instead of one of the generics
- ☐ No prior authorization required for recipients < 13 years of age

1. You must submit the claim and receive a denial before telling the recipient that it requires a prior authorization because **many prior authorizations have already been processed** (the physicians were sent lists of recipients for whom they had prescribed these medications and instructed to preemptively fill out a prior authorization form). Also, the prior authorizations are not store specific, so another store may already have a prior authorization on file.
2. If you receive a denial, you will have to contact the physician to determine if the OTC product would be acceptable. If not, the physician should begin the prior authorization process (the forms are on the website).
3. If the recipient needs an emergency supply, you may fill up to a 5 days supply. This five day supply should be submitted to Medicaid and it will pay appropriately provided it is fill number '00' and the days supply is 5 days or less and provided no other edit would apply (early refill, quantity limits, etc). Only one emergency fill is allowed for each patient per prior authorization cycle. We will monitor this closely.

### **DME Billing on CMS 1500 Forms**

Included with this memorandum are instructions for filling out CMS-1500 forms. As with most new processes, there have been a number of errors noted and we hope that these instructions will help the process for everyone involved.

### **E-Mail List**

Please forward me your e-mail address and you will receive e-mail alerts of many issues with ND Medicaid. This method of communication has been a success and has become the preferred method of communication for many pharmacies. To sign up for these e-mail updates, please send a message to Brendan at [sojoyb@state.nd.us](mailto:sojoyb@state.nd.us) or to Vivian at [soholv@state.nd.us](mailto:soholv@state.nd.us) and we will place you on the list.